

## **REMARKS**

Claims 1-9, 11-14 and 18-38 are pending in the application. Claims 18-20 stand rejected under 35 U.S.C. § 102(e) as allegedly being anticipated by U.S. Pat. No. 6,574,424 (“Dimitri”). Claims 1, 5-9, 11, 22-27, 30, 31, 34, 35 and 38 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Pub. No. 2002/0100043 (“Lowthert”) in view of U.S. Pat. No. 5,914,712 (“Sartain”). Claim 21 stands rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Dimitri, and in view of Lowthert. Claims 12-13 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of U.S. Pat. No. 6,238,763 (“Sandstrom”). Claims 2-4, 14, 36 and 37 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of U.S. Pub. No. 2001/0042043 (“Shear”). Claims 28-29 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of U.S. Pub. No. 2004/0054630 (“Ginter”). Claims 32-33 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and further in view of U.S. Pat. No. 6,732,366 (“Russo”).

Claim 18 has been amended to correct a typographical error. No new matter is added by the amendment.

### ***Claim Rejections – 35 U.S.C. § 102(e)***

Claims 18-20, of which claim 18 is the independent claim, currently stand rejected under 35 U.S.C. § 102(e) as allegedly anticipated by Dimitri. **Claim 18** recites in part:

a reader mechanism having a single optical pickup and  
configured to read entertainment content pre-recorded on a first  
medium and to read advertisements pre-recorded on a second  
medium

The Application provides an example of why having entertainment content pre-recorded on a first medium and advertisements pre-recorded on a second medium, distinct from the first medium, is useful. It “is desirable that the method provide the ability to couple fresh, periodically updated advertisements with the audio and video content, even when a customer is enjoying content that he has had archived in his home for months or years.” (Specification, p. 6, ¶ 014 as filed.)

Dimitri describes: “Commercials, cartoons, movie trailers or other short video clips are stored *on the same DVD disk* that holds a DVD movie.” (Dimitri, column 6, lines 7-9, emphasis added.) Dimitri explains why it is important that the commercials are stored on the *same disk* as the entertainment content. “Storing a commercial on a DVD disk lessens the cost of disk production.” (Dimitri, column 6, lines 18-19.) Dimitri thus teaches away from entertainment content pre-recorded on a first medium and advertisements pre-recorded on a second medium.

For at least the reasons explained above, Applicants respectfully submit that Dimitri does not teach the recitations of claim 18 and, therefore, claim 18 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 18 be withdrawn.

**Claims 19 and 20** depend from claim 18. Applicants respectfully submit that for at least the reasons explained above with respect to independent claim 18, each of these dependent claims is patentably defined over the cited art and, accordingly, respectfully request that the rejection of claims 19 and 20 be withdrawn.

***Claim Rejections – 35 U.S.C. § 103(a)***

Claims 1, 5-9, 11, 22-27, 30, 31, 34, 35 and 38 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain. Claims 1 and 22 are independent claims.

**Claim 1** recites in part:

periodically distributing advertisements pre-recorded on  
advertisement storage media to said customer locations,  
wherein at least some of said advertisements are updated before  
being distributed

As the Examiner noted, Lowthert is silent in regard to periodic distribution of advertisements. (Office Action of 1/25/2008, p. 4.) Sartain describes, in passages cited by the Examiner:

Additionally, this invention allows for certain commercials to be provided to subscriber groups located in areas which respond better to a certain type of commercial. Thus, commercials can be tailored for a certain group, and then inserted into the continuous video program being broadcast to

that group. In this situation, the commercials can be updated through a satellite. (Sartain, column 5, lines 28-35.)

Satellite 300 can also be used to transmit video programs from office 330 to earth headends 370 and 372. ... In the preferred embodiment, selectable video programs are updated once a day to once a week. A satellite allows downlink on command such that desirable videos and commercials can be quickly inserted into a queue at the remote site. (Sartain, column 7, lines 29-46.)

Thus, the cited passages discuss broadcasting videos with targeted ads and broadcasting updated video programs. Applicants assert that the cited passages do not teach or suggest “periodically distributing advertisements pre-recorded on advertisement storage media to said customer locations.”

For at least the reasons explained above, Applicants respectfully submit that the cited references, either alone or in combination, do not teach the recitations of claim 1 and, therefore, claim 1 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 1 be withdrawn.

**Claim 5** depends from claim 1. Claim 1 recites in part: “periodically distributing advertisements pre-recorded on advertisement storage media to said customer locations”. Claim 5 recites in part: “wherein each of the advertisement media includes both advertisements and an index of entertainment content.” Lowthert describes “an electronic program guide,” but does not describe it as *periodically distributed* or as being *on advertisement storage media*. The Examiner has not asserted that Sartain teaches advertisement media including both advertisements and an index of entertainment content. For at least these reasons, as well as for the reasons explained above with respect to claim 1, Applicants respectfully submit that the cited references, either alone or in combination, do not teach the recitations of claim 5 and, therefore, claim 5 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 5 be withdrawn.

**Claims 6-9 and 11** each depend, directly or indirectly, from claim 1. Applicants respectfully submit that for at least the reasons explained above with respect to independent claim 1, claims 6-9 and 11 are patentably defined over the cited art and, accordingly, respectfully request that the rejection of these claims be withdrawn.

**Claim 22** recites in part:

periodically distributing to each of said customers pre-recorded advertising on an updated advertisement medium, wherein at least some of the advertising on said updated advertisement medium is updated with respect to previously distributed advertising

For at least the reasons explained above with respect to claim 1, Applicants respectfully submit that the cited references, either alone or in combination, do not teach the quoted recitations of claim 22 and, therefore, claim 22 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 22 be withdrawn.

**Claims 23-27, 30-31, and 34** each depend, directly or indirectly, from claim 22. Applicants respectfully submit that for at least the reasons explained above with respect to independent claim 22, claim 23-27, 30-31, and 34 are patentably defined over the cited art and, accordingly, respectfully request that the rejection of these claims be withdrawn.

**Claim 35** depends from claim 22 and recites in part: “communicating *information that is representative of the playing of entertainment content and advertisements* between the customer and a system operator.” Examples of embodiments are provided in the Application:

Consistent with the invention, a user who has received content encoded with software key or keys, may request to view certain content. Upon the request, the box may transmit billing information to the central controller. The central controller may then charge the consumer's account on a rental, purchase, subscription or other basis, and transmit back an enabling command, allowing the set top box to decode and present the requested content. (Specification, p. 17, ¶ 049.)

If any variant in the customer preference proves to be statistically significant in predicting which consumers will purchase the products, consumer preferences and advertisements may be easily modified to better target the audience. This can be done by a feedback loop, which provides data to the system operator or content provider regarding the consumer preferences and the times the advertisement was presented. (Specification, p. 17-18, ¶ 050.)

The passages of Lowthert cited by the Examiner describe various ways of controlling when and which ads are displayed, and describe means by which a user may pay to terminate an ad, and describe “push” and “pull” models for retrieving ads. Applicants respectfully contend that the cited passages of Lowthert do not teach the quoted claim recitation. For at least these reasons, as well as for the reasons explained above with respect to claim 22,

Applicants respectfully submit that claim 35 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 35 be withdrawn.

**Claim 38** recites in part: “an optical reader operating at a wavelength at or below 405nm.” The Examiner stated that claim 38 “is met as previously discussed with respect to claims 12-13.” The Examiner’s discussion of claims 12-13 does not refer at all to the wavelength of the optical reader. The Examiner cited U.S. Pat. No. 6,238,763 (“Sandstrom”) in rejecting claims 12-13. The cited passages of Sandstrom describe the thicknesses of various recording and dielectric layers, but do not disclose information relating to the wavelengths at which an optical reader is operated. For at least these reasons, as well as for the reasons explained above with respect to claim 22, Applicants respectfully submit that claim 38 is patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claim 38 be withdrawn.

Claim 21 stands rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Dimitri, and in view of Lowthert. **Claim 21** depends from claim 18. Applicants respectfully submit that for at least the reasons explained above with respect to independent claim 18, dependent claim 21 is patentably defined over the cited art and accordingly, respectfully request that the rejection of claim 21 be withdrawn.

Claims 12-13 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of Sandstrom.

**Claim 12** recites “a disc having a diameter greater than 125 mm and less than 300mm.” Standard DVDs and CDs have a diameter of 120 mm. The present Application describes a reason for the claimed diameters:

Finally, discs may provide a hardware security feature by incorporating a larger diameter than a conventional CD or DVD. Such a disc must be sufficiently large that they cannot be inserted and played in a conventional CD/DVD player discs may range from about 125 mm to 300 mm. (Specification, p. 21, ¶ 065.)

Lowthert is silent on the diameter of entertainment content media. Lowthert describes the use of “optical discs, DVD, DVD-R, DVD-RW, CD, CD-ROM, CD-R, CD-RW ....” As noted above, standard optical disks have a diameter of 120 mm. The Examiner has not asserted that Sartain contains any teachings relevant to the quoted recitation of claim 12. The

Examiner has cited Sandstrom for disclosing a “disk having a diameter greater than about 120 mm and less than 135 mm ...” (Office Action of 5/18/07, p. 7-8.) Sandstrom “is directed to a rewritable optical data storage disk having a substrate with an increased thickness that is in a range of approximately 2.3 to 2.6 mm. The increased thickness of the substrate enhances the flatness of the recording disk relative to a recording plane.” (Sandstrom, column 2, lines 26-31.) Thus, Sandstrom provides a reason for modifying the *thickness* of a standard optical disk. Sandstrom provides no reason for modifying the diameter. Sandstrom provides no reason for modifying the teachings of Lowthert and Picco to increase the *diameter* of an optical disk. As stated in the Application, a purpose for the disks having a diameter greater than that of standard CDs or DVDs is to provide a hardware security feature by making the disks too large to be played in a conventional CD/DVD player. The claimed size is not “an optimum value” to be discovered using routine skill in the art (Office Action of 1/25/08, p. 8.). Nor is the change in size an “obvious matter of design choice.” (Id.) Rather the claimed diameter is a size intentionally selected to render disks inoperable with standard players.

Applicants submit that for at least the reasons explained above, claim 12 is patentably defined over the cited art and accordingly, respectfully request that the rejection of claim 12 be withdrawn.

**Claim 13** recites in part:

a disc having data recorded on a reflective layer and an optically transmissive coating having a total transmissivity at 635nm of less than the minimum transmissivity set forth as the standard DVD specification.

The Application provides a reason for the claimed transmissivity:

The DVDO may contain a thin coating of material having a high transmissivity at 400-410 nm and low transmissivity at 635-650 nm allowing the proprietary player to drive a 635 lasers at a higher power to penetrate, but preventing commercially available DVD players from reading the disc. (Specification, p. 21, ¶ 061.)

The cited references are silent on the issue of transmissivity and fail to disclose or suggest the quoted claim recitation. Accordingly, Applicants respectfully request that the rejection of claim 13 be withdrawn.

Claims 2-4 14, 36 and 37 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of Shear. **Claims 2-4 and 14** each depend, directly or indirectly, from claim 1. **Claims 36 and 37** each depend, directly or indirectly, from claim 22. Applicants respectfully submit that for at least the reasons explained above with respect to independent claims 1 and 22, the dependent claims are patentably defined over the cited art and, accordingly, respectfully request that the rejection of these claims be withdrawn.

Claims 28-29 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and in further view of Ginter. **Claim 28** recites in part: “shipping entertainment content on first media to customers on a periodic basis.” **Claim 29** recites in part: “wherein the periodic shipments are targeted to customer preferences.” The Examiner admits that Lowthert as modified by Sartain fails to explicitly teach shipping entertainment content on a periodic basis or wherein periodic shipments are targeted to customer preferences. The Examiner asserted that “Ginter disclose periodic shipping entertainment content on a periodic basis and where the periodic shipments are target to customer preferences ([0201-0203], [1049] and [1178-1182].” (Office Action of 1/25/08, p. 10.) Applicants respectfully disagree with this characterization of the reference. Paragraphs [0201-0203] discuss aspects of electronic delivery of content and do not discuss shipping at all or periodic shipping in particular. Paragraph [1049] refers to a “load module” that can be “loaded and executed, or it can be acquired from, shipped to, updated, or deleted by, other systems.” A load module in Ginter “contains code and static data (that is functionally the equivalent of code), and is used to perform the basic operations of VDE 100.” (Ginter, paragraph [1045].) Applicant is unable to discern a relationship between the “load modules” of Ginter and the “entertainment content” of claims 28 and 29. Applicants respectfully contend that “shipping entertainment content on a first media to customers on a periodic basis” is patentably distinct from a “load module” that is electronically “shipped to ... other systems.” Paragraphs [1178-1182] refer to electronic delivery of VDE objects. For example, Ginter states “shipping table 444, and receiving table 446 provide information about receipts and delivers of VDE objects 300. These data structures keep track of administrative objects sent or received by electronic appliance 600 ....” (Ginter, paragraph [1178].) The VDE objects that are being “shipped” are “virtual distribution environments,” for handling and

control of “electronically stored or disseminated information.” (Ginter, Abstract.) No “entertainment content on first media” are being shipped in Ginter.

For at least the reasons explained above, Applicants respectfully submit that the cited references, either alone or in combination, do not teach the recitations of claims 28 and 29 and, therefore, claims 28 and 29 are patentably defined over the cited art. Accordingly, Applicants respectfully request that the rejection of claims 28 and 29 be withdrawn.

Claims 32-33 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Lowthert in view of Sartain, and further in view of Russo.

**Claims 32-33** each depend from claim 22. Applicants respectfully submit that for at least the reasons explained above with respect to independent claim 22, claim 32-33 are patentably defined over the cited art and, accordingly, respectfully request that the rejection of these claims be withdrawn.

### ***Conclusion***

As explained above, Applicants submit that claims 1-9, 11-14, and 18-38, which currently stand rejected in the Application, are patentably defined over the cited art. The Examiner is respectfully urged to reconsider the Application. Favorable consideration and passage to issue of the application is earnestly solicited. If the Examiner should, however, find the claims as presented herein are not allowable for any reason or if the Examiner has any questions, comments, or suggestions that would expedite the prosecution of the present case, the Applicants undersigned representative would sincerely welcome a telephone conference at (206) 903-2475.



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